

HB 338 -- Public School Retirement Systems

Sponsor: Smith (118)

This bill revises various provisions of the Missouri Public School Retirement System.

PUBLIC SCHOOL RETIREMENT SYSTEM

In school districts with 300,000 residents or less, the bill:

- (1) Requires the Board of Trustees to determine and certify to the employers the level rate of contribution and specifies the time period the rate should be established;
- (2) Requires the level rate of contribution for a fiscal year not to exceed the rate of contribution for the prior fiscal year by more than 0.5%;
- (3) Requires the board to determine and certify the level rate of contribution for a fiscal year based on an actuarial valuation;
- (4) Requires the board to have an actuary conduct an actuarial valuation of the system and additional valuations at least once every 10 years;
- (5) Requires a member who is reinstated with the retirement system to effect reinstatement by repaying to the system accumulated contributions which are withdrawn or refunded prior to termination with the retirement system;
- (6) Allows members who have accrued at least one year of membership service credit and who have covered employment with the system following the credit being purchased to purchase membership service credit or equivalent service credit under certain terms and conditions;
- (7) Allows a member who has served in the armed forces and who is no longer in service to purchase membership service credit equivalent to the period of active duty service; and
- (8) Allows a member eligible for retirement who has not previously received a retirement allowance to elect to receive a partial lump-sum distribution based on an option plan. This election is based on years of creditable service and age and is subject to certain terms and conditions.

GENERAL RETIREMENT PROVISIONS

The bill:

- (1) Allows members of specified public school retirement systems who have previous credit in another public school retirement system to purchase equivalent service credit in their present retirement system; and
- (2) Allows members of specified retirement systems who are within five years of retirement to purchase additional creditable service.

NON-TEACHER SCHOOL RETIREMENT SYSTEM

The bill:

- (1) Requires the Board of Trustees to determine and certify to the employers the level rate of contribution and specifies the time period the rate should be established;
- (2) Requires the level rate of contribution for a fiscal year not to exceed the rate of contribution for the prior fiscal year by more than 0.5%;
- (3) Requires the board to determine and certify the level rate of contribution for a fiscal year based on an actuarial valuation;
- (4) Requires the board to have an actuary conduct an actuarial valuation of the system and additional valuations at least once every 10 years;
- (5) Requires a member who is reinstated with the retirement system to effect reinstatement by repaying to the system accumulated contributions which are withdrawn or refunded prior to termination with the retirement system;
- (6) Allows members who have accrued at least one year of membership service credit and who have covered employment with the system following the credit being purchased to purchase membership service credit or equivalent service credit under certain terms and conditions;
- (7) Allows a member who has served in the armed forces and who is no longer in service to purchase membership service credit equivalent to the period of active duty service; and
- (8) Allows a member eligible for retirement who has not previously received a retirement allowance to elect to receive a partial lump-sum distribution based on an option plan. This election is based on years of creditable service and age and is

subject to certain terms and conditions.